Current rate of inflation

1558. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) what is the current rate of inflation in comparison to what it was six months ago;

(b) whether it is fact that inflation has declined;

(c) if so, whether it is also a fact that the cost of essentials from oil to onions has gone through the roof resulting in hike of grocery bill of housewives by 25 per cent in the last one year; and

(d) the steps Government has taken to address the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The inflation measured in terms of WPI for all commodities has decelerated during the current financial year and reached to low of 3.02 per cent in October, 2007. Annual increase in prices of 31 essential commodities and edible oils has also moderated in recent months from April, 2007 as in indicated below:

Annual year-on-year inflation(%)

Period	All Comm.	Essential Comm.	Onion	Edible Oils
Weight(%)	100.00	17.63	0.9	2.76
Apr-2007	6.28	3.26	53.83	15.02
May-2007	5.46		33.60	14.07
Jun-2007	4.53	0.85	55.18	14.65
Jul-2007	4.71	2.84	90.55	15.81
Aug-2007	4.14	2.73	112.49	12.64
Sep-2007P	3.32	1.19	103.38	10.63
Oct-2007P	3.02	0.50	108.88	11.30

P-Provisional

(d) Containment of inflation remains high on the agenda of the Government. Anti-inflationary policies of the government include strict fiscal and monetary discipline, rationalization of duties of essential items so that there is no undue burden on the poor, effective supply-demand management of essential commodities through liberal tariff and trade policies, and strengthening the public distribution system.

Minimum support price of cotton

1559. SHRI MANOHAR JOSHI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that higher production cost of cotton, lower Minimum Support Price (MSP) of cotton and import of cotton have exaggerated the situation of the farmers in Maharashtra;

(b) whether it is also a fact that there is a big gap between MSP and production cost of the cotton;

(c) if so, whether Government has any proposal to increase MSP and also to increase import duty on cotton;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?